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TRAVEL PRINTOUT

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U.S. Travel Data Center

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TRAVEL INDUSTRY EXPECTS PROSPEROUS YEAR

Experts predict that the U.S. travel industry will see its most active year since 1981, according to the 1985-86 Outlook for Travel and Tourism.

Moreover, the 150-page report, which contains the only published data on over 50 travelers gathered by the US Travel Data Center's National Travel Survey, establishes that travelers aged 50 and over travel farther and for longer periods than do younger travelers.

The 1985-86 Outlook contains forecasts presented to the travel industry at the US Travel Data Center's eleventh annual Travel Outlook Forum held in September in New Orleans.

"Americans have restocked on major durables and are diverting their increasing discretionary income to leisure travel. Businesses, as well, are financing more travel as the rising economy generates more sales and investment opportunities," observed Dr. Douglas C. Frechtling, director of the Data Center.

According to Frechtling, a frequently quoted authority on travel and tourism, travel industry receipts in the first half of 1985 rose 6.5 percent over levels posted in the first half of 1984. Low travel price inflation and rising disposable personal income contributed significantly to the overall gain.

Quoting results of the Data Center's 1985 National Travel Survey, the Data Center director added that U.S. resident travel during first-half 1985 rose 9 percent over the same period in 1984, totaling 456 million person-trips (one person traveling 100 miles or more away from home).

Also drawing from data gathered by the National Travel Survey, Hal Norvell, manager of the American Association of Retired Persons' Travel Program, stated that travelers between 50 and 65 years old spend an average of 6.5 nights away from home per trip, compared to 4.8 nights for travelers under 50. Trip duration for travelers over 65 is even longer, averaging 8.2 nights.

The 50-plus traveler accounts for 30 percent of all travel, 32 percent of hotel/motel nights, 72 percent of RV trips, 44 percent of adult passports issued and 34 percent of package tour travel overseas.

Norvell emphasized the importance of addressing the older American travel market: "By 2030 there will be about 65 million older persons, two and a half times their number in 1980. If current fertility and immigration levels remain stable, the only age group to experience significant growth after the year 2000 will be those past age 55. Assuming that even the same percentage of older

(Continued on page 3)

TRAVEL INCREASES IN SECOND QUARTER 1985

Travel by U.S. residents during the second quarter of 1985 increased 8 percent over levels recorded one year earlier, according to the US Travel Data Center's 1985 National Travel Survey Second Quarter Report.

The report, based on a monthly telephone survey, showed Americans took 285 million person-trips during April, May and June 1985, 20.4 million more than during the same quarter of 1984. (A person-trip is measured each time anyone goes 100 miles or more away from home.)

The average trip during second quarter 1985 covered 5.1 nights, the same as ~~last~~ year. On the other hand, average trip distances increased 13 percent.

(Continued on page 4)

TRAVEL PRICES RISE MODERATELY IN OCTOBER

Lower gasoline prices held the overall rise in the cost of travel in the U.S. to 0.3 percent in October, according to the US Travel Data Center's Travel Price Index (TPI).

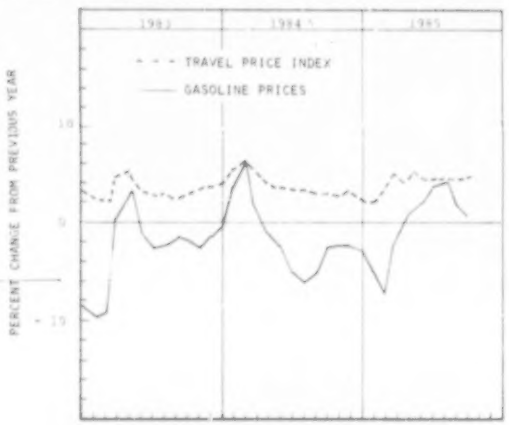
For comparison, the cost of consumer goods as measured by the Consumer Price Index (CPI) also rose 0.3 percent in October.

The TPI, which measures changes in the seasonally unadjusted cost of lodging, food, transportation and other goods and services purchased by Americans traveling away from home in this country, climbed to 389.0 in October (1967=100).

October gasoline prices fell 0.8 percent, 2.9 percent lower than July levels. Taxicab fares remained unchanged.

Airline fares rose 1.5 percent in October. Intercity bus fares increased 0.8 percent, followed by a 0.7 percent gain in the cost of entertainment services. The cost of incidentals grew 0.6 percent over the previous month.

The TPI has increased 5.4 percent over the past twelve months, compared to a 3.2 percent rise in the CPI. Lodging prices have soared 9.0 percent over the previous year and lead all other TPI components. Intercity bus fares have jumped 7.4 percent in the last twelve months, and airline fares have gained 6.7 percent. Gasoline prices have risen 1.1 percent, the smallest increase of any TPI component.



GASOLINE PRICES HELP TO MODERATE INCREASES IN THE TRAVEL PRICE INDEX

Monthly and Annual Rates of Change in the Travel Price Index and Components, October 1985

TPI Component	Monthly Percent Change September 1985 to October 1985	Annual Percent Change October 1984 to October 1985
Transportation	0.4	4.2
Airline Fares	1.5	6.7
Intercity Bus Fares	0.8	7.4
Intercity Train Fares	0.1	3.3
Taxicab Fares	0.0	2.8
Gasoline	- 0.8	1.1
Lodging	0.3	9.0
Food Away From Home	0.1	4.1
Entertainment Services	0.7	4.7
Incidentals	0.6	3.0
TRAVEL PRICE INDEX	0.3	5.4
CONSUMER PRICE INDEX	0.3	3.2

Source: US Travel Data Center and U.S. Bureau of Labor Statistics

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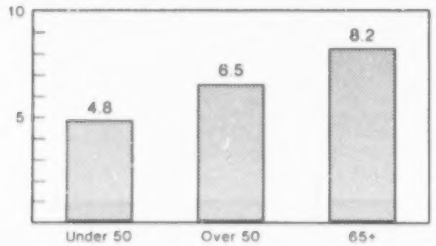
TRAVEL PRINTOUT reports on the results of Data Center projects, national travel research conducted by other respected organizations, and trends in the U.S. travel industry. Subscriptions are available for $49 per year, U.S., Canada and Mexico; other foreign countries, $59 per year, payable in U.S. funds only.

TRAVEL INDUSTRY EXPECTS PROSPEROUS YEAR (CONTINUED FROM PAGE 1)

people will travel, the numbers are staggering."

AVERAGE NIGHTS AWAY FROM HOME
1984



* US Travel Data Center/AARP

The 1985-86 Outlook contains forecasts from other travel industry experts as well:

• Richard T. Curtin, director of the Survey Research Center of the University of Michigan, predicted a bright outlook for consumer spending on travel. Consumers now have a greater sense of financial security and the financial latitude to make travel expenditures, he said.

• Don Wynegar, director of the Office of Research of the U.S. Travel and Tourism Administration, expects 28 million Americans to travel out of the country in 1986, with a 3 percent decrease in travel to overseas destinations caused by the decline of the dollar, the unlikelihood that Americans who traveled overseas in 1984 and 1985 will repeat those trips, and increased concern about safety abroad due to recent acts of terrorism.

• John H. Rohs, vice president--research at Wertheim & Co., Inc., said that hotel/motel occupancy will stay flat or decline a percentage point in 1986, and the increase in room rates should drop to 5 or 6 percent, compared to the 8.5 percent rate of increase in the first half of 1985.

• Jennifer Armstrong, manager of market research for TWA, reported from US Travel Data Center and TWA figures that 76 percent of frequent flier program members are male; 74 percent have completed college or more; 65 percent are in the 25-to-44 age bracket; and 72 percent earn annual incomes of $40,000 or more. There are over 7 million members of frequent flier programs, and over 60 percent of these members belong to more than one program, she said.

• Joseph Sullivan, vice president of marketing and advertising for National Car Rental Systems, said that the pace of customer service development in the car rental sector has picked up considerably and outlined two successful innovations which exemplify the type of "good, solid, creative customer service" which will be most effective in increasing sales for the car rental segment.

• Thomas Lea Davidson, principal and chief executive officer of Davidson-Peterson Associates, stressed the diversity of the family vacation market. "In developing marketing activities targeted toward the 'family' market, we must not simply look upon this as a one-dimensional market consisting of large numbers of people who travel."

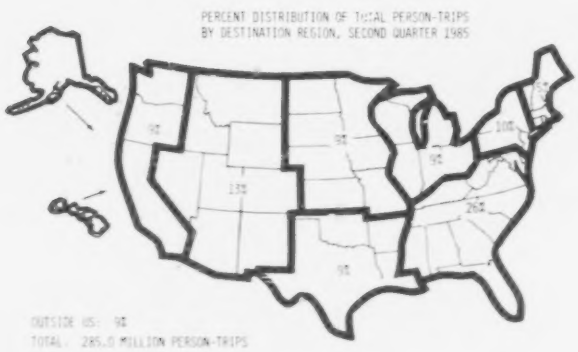
• Allan Wilbur, director of public relations for the American Automobile Association, pointed out that automobile sales, which have been brisk throughout 1985, may spur automobile vacation travel. "If people take trips in the new cars they have been purchasing this year (and last) and nothing else disturbs the delicate balance, the 6 percent decline in auto travel from 1983 to 1984 could be overcome, perhaps achieving a 1 percent real gain in auto/truck/RV travel for 1985," he predicted.

The 1985-86 Outlook for Travel and Tourism, which contains the complete proceedings of the Travel Outlook Forum, including the only published data on over-50 travelers gathered by the National Travel Survey, will be sent to members and is available to others for $80.00 prepaid from the US Travel Data Center, 1899 L Street NW, Suite 610, Washington, DC 20036. ##

SECOND QUARTER (FROM PAGE 1)

Visits to friends and relatives increased 15 percent, while travel for "other pleasure" purposes such as outdoor recreation, sightseeing and entertainment remained at the same levels as second quarter 1984. Business/convention travel also increased substantially.

Vacation travel increased 5 percent, and weekend travel increased almost 1 percent. Moreover, travel by air showed a 27 percent increase, and auto/truck/RV travel grew 1 percent.


PERCENT DISTRIBUTION OF TOTAL PERSON-TRIPS
BY DESTINATION REGION, SECOND QUARTER 1985
OUTSIDE US: 9%
TOTAL: 285.0 MILLION PERSON-TRIPS

The Mountain region reported the greatest growth for second quarter 1985, although the South Atlantic region attracted the largest share of U.S. visitors, 20 percent.

The 1985 National Travel Survey Second Quarter Report is based on telephone interviews with over 1,500 adult Americans each month. It includes 90 pages of tables, charts, analyses and comparisons with 1984. It will be sent to members and is available to others for $70.00 prepaid from the US Travel Data Center, 1899 L Street NW, Suite 610, Washington, DC 20036. ##

BOARD OF TRUSTEES ELECTS VICE CHAIRMAN, NEW MEMBERS

The US Travel Data Center Board of Trustees elected Rossi Ralenkotter, director of marketing and tourism of the Las Vegas Convention & Visitors Authority, to the office of vice chairman at its December 13 meeting in Washington, D.C. His term will begin on January 1, 1986 and continue for one year.

Ralenkotter has served on the Board of Trustees for five years and has been with the Las Vegas Convention & Visitors Authority since 1973.

The Board also elected two new members: Kenneth F. Hines, executive vice president for the American Hotel & Motel Association in New York, and Nestor N. Pylypec, vice president of traffic services for the Air Transport Association, will serve two-year terms commencing January 1, 1986.

Former Vice Chairman Randall A. Wagner, director of the Wyoming Travel Commission, will return for a two-year term as board member. ##

Mark your calendar now for the

1986-87 Travel Outlook Forum

October 10, 1986
at the Fontainebleau Hilton
Miami Beach, Florida

For more information, contact the US Travel Data Center, 1899 L Street NW, Suite 610, Washington, DC 20036.

(Presented in conjunction with the Travel Industry Association's National Conference and Marketing Showcase, October 7-9, 1986)

1985 SUMMER TRAVEL RISES MODERATELY OVER PREVIOUS YEAR

Americans took 2 percent more summer vacation trips in 1985 than in 1984, according to the latest results of the US Travel Data Center's National Travel Survey.

June, July and August proved, as the Data Center predicted last spring, to be "the best summer for the travel industry since 1981"; however, the 274 million vacation person-trips recorded by the monthly telephone survey fell short of the 5 percent increase predicted for the period. (A person-trip is measured each time anyone goes 100 miles or more away from home.)

The average duration of vacation trips increased 1 percent over summer 1984 to 6.25 nights, and the average distance increased from 940 miles in 1984 to 980 miles this year.

Eighty-one percent of vacationers traveled by auto/truck/RV, compared with 86 percent in 1984, and 17 percent traveled by airplane, compared with 10 percent the previous year. The number of people staying in hotels rose to 43 percent in 1985, a gain of four percentage points over 1984, while the number of travelers staying with friends and relatives declined four percentage points.

Vacation travelers from households with annual incomes of $30,000 or more increased their travel by 10 percent over 1984 levels, and those 55 years old and over took 15 percent more person-trips this summer than last.

The South Atlantic/East South Central region attracted the greatest share of visitors, although the New England/Mid Atlantic and Mountain/Pacific regions showed the greatest increase in visits, approximately 15 percent each.

The US Travel Data Center will release a forecast of 1986 summer vacation travel on May 14, 1986. ##

TOTAL VACATION PERSON-TRIPS FOR JUNE, JULY AND AUGUST

Year	Person-trips (millions)
1985	274
1984	268
1983	263
1982	260
1981	286

Visitor Volume at National Parks

Region	SEP 1985 visits (thousands)	Change from SEP 1984 (percent)	Percent change 1985/1984 Year to Date
NEW ENGLAND	1,395,399	-6.4	-1.3
MIDDLE ATLANTIC	2,284,173	-3.0	5.5
SOUTH EAST	12,882,360	15.0	13.7
EAST NORTH CENTRAL	508,022	14.8	5.7
WEST NORTH CENTRAL	795,799	5.8	6.4
WEST SOUTH CENTRAL	669,054	-15.2	0.1
MOUNTAIN	3,629,595	-.9	4.1
PACIFIC	4,689,630	-4.1	0.2
TOTAL	26,854,032	4.9	7.3

States comprising the Census regions:

NEW ENGLAND: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont. MIDDLE ATLANTIC: New Jersey, New York, Pennsylvania. SOUTH EAST: Alabama, Delaware, Florida, Georgia, Kentucky, Maryland, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, West Virginia. EAST NORTH CENTRAL: Indiana, Illinois, Michigan, Ohio, Wisconsin. WEST NORTH CENTRAL: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota. WEST SOUTH CENTRAL: Arkansas, Louisiana, Oklahoma, Texas. MOUNTAIN: Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming. PACIFIC: Alaska, California, Hawaii, Oregon, Washington.

CURRENT TRAVEL INDICATORS

	Current Month	Current Value	Percent Change From Previous Month	Percent Change From Year-ago Month	Percent Change Year-to-date 1985/84
Establishment receipts or retail sales					
Hotels, motels and other lodging places(1)	Sep	$ 3,531 million	- 5.8	4.5	N/A
Eating and drinking places(2)	Sep	$10,936 million	0.3	4.4	5.3
Gasoline service stations(2)	Sep	$ 8,529 million	- 1.1	2.5	1.3
Commercial lodging demand					
Hotel/motel occupancy rate(3)	Sep	62.9 percent	- 3.1	- 5.9	- 1.9
Real demand for commercial lodging(4)		N/A	N/A	N/A	N/A
Airline passenger traffic(5)					
Domestic revenue passenger-miles	Sep	16.4 billion	-24.1	4.5	10.1
International revenue passenger-miles	Sep	5.9 billion	-19.8	7.4	17.5
Highway traffic volume(6)					
Rural arterial vehicle-miles	Sep	38.2 billion	-16.1	0.1	2.6
Rail passenger traffic(7)					
Amtrak passenger-miles	Sep	354.7 million	-36.6	7.2	7.3
Travel Price Index(8)	Sep	387.0	- 0.3	4.9	4.6
U.S. resident travel(9)					
Total person-trips	Aug	133.1 million	- 0.6	0.7	10.0
Vacation person-trips	Aug	104.1 million	19.8	3.9	6.2
Total person-nights	Aug	881.9 million	6.2	12.9	15.1
Vacation person-nights	Aug	666.2 million	17.9	3.9	8.4
Public use of national parks(10)					
Visits	Sep	27,021,804	-29.5	8.7	10.2
Overnight stays	Sep	1,670,678	-48.0	- 6.7	-13.0
Foreign arrivals in U.S.(11)					
From overseas	Jul	992,576	18.5	- 3.7	0.9
From Canada	Sep	949,477	-40.4	- 0.7	- 0.2
U.S. citizen departures(11)					
To overseas	Jul	1,663,440	- 0.8	7.9	7.8
To Canada	Sep	1,147,647	-54.4	- 4.5	4.2
Domestic demand for motor gasoline(12)					
Barrels per day	Sep	6,639 thousand	- 8.3	0.4	3.7

N/A = not available

(1)Source: Laventhol and Horwath, seasonally unadjusted. (2)Preliminary; adjusted for seasonal variation and trading day differences. Source: Bureau of the Census. (3)Source: Laventhol and Horwath, seasonally adjusted. (4)Source: Laventhol and Horwath, unadjusted expenditures for commercial lodging adjusted for inflation since 1972. (5)Preliminary; U.S. scheduled service air carriers. Source: U.S. Department of Transportation. (6)Source: Federal Highway Administration. (7)Source: National Railroad Passenger Corporation (Amtrak). (8)Source: U.S. Travel Data Center and Bureau of Labor Statistics. (9)Source: U.S. Travel Data Center. (10)Preliminary; unadjusted for differences in reporting units. Source: National Park Service. (11)Source: Statistics Canada and Nettleton Travel Research Center. (12)Preliminary; Source: U.S. Department of Energy.

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